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DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

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April 30, 2001

TO:

Minerals File

FROM:

D. Wayne Hedberg, Permit Supervisor

RE:

Documentation of April 17, 2001 Conference Call, Assessment Review & Status of

Closure & Reclamation Activities, North Lily Mining Company, Tintic Project,

M/023/007. Juab County, Utah

Date of Call/Meeting:

April 17, 2001

Location:

Division Offices Time of Call/Meeting: 9:30 - 10:50 a.m.

Participants:

Steve Flechner & Gene Webb - North Lily Mining Company; Walt Shubert, Bob

Bayer - JBR; Larry Mize - DWQ; Mary Ann Wright, Wayne Hedberg, and Doug

Jensen - DOGM

Purpose of Call/Meeting: The purpose of this conference call was to document the progress that has been made at the Tintic Project site since our last conference call on April 3, 2001.

On April 17, 2001, a conference call was held between the representatives identified above to discuss the status of ongoing closure and reclamation activities at the Tintic Project site. The discussion focused on activities that had been performed since our last conference call. A summary of the discussion items are detailed below:

- Larry Mize explained he had spoken with Carl Wadsworth (?) at DSHW about the post mining use of the barren pond for a demolition waste disposal cell. Larry had been advised that it would likely be acceptable to commingle the demolition related debris with the existing Bevil exempt materials already in the barren pond. It was also likely that this usage may be permitted by rule. Bob said he had started a draft letter which he would send to DSHW by tomorrow.
- Wayne asked about the proposed schedule for staking the location of the leach field and when they anticipated starting construction. Bob and Walt said that the gravel for the trenches should be delivered by today or tomorrow. The slotted pipe may arrive as early as today. Within a day or two of receipt of the materials, they will stake the leach field layout onsite.

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- Walt and Bob did not believe they could meet the original April 30th timeframe for completing construction of the leach field, but they hope to begin construction by early next week. Walt said he has not been able to get in touch with Bill Riley and has made backup arrangements with another operator to perform the construction work. Walt anticipated about two weeks to complete the system once construction begins.
- Gene said that all of the pallets of records should be gone by today. He indicated that they were being temporarily stored in an old magazine on Chief Consolidated's property.
- Wayne asked Gene if they had accepted any of the salvage bids yet. He said they have not received confirmation or been able to get a hold of some of the bidders. He said if he could not get a hold of the interested parties by today, he would have Elwin make arrangements to begin demolition and disposal of the building very soon. Gene said that Chief may take most of the presses, mixing tank, hot water heater, etc. They should know by Thursday or Friday of this week for sure. Dan Proctor is to send them an agreement.
- Wayne asked when the tools, processing equipment, etc. would be removed from the processing building. Gene indicated that Elwin would be moving/taking responsibility for the truck and tools left in the building.
- Wayne asked if North Lily had received the approved construction permit from DWQ yet and if
 they had any concerns with the attached conditions. No concerns were expressed by Bob or North
 Lily with the permit conditions.
- Bob said he and Walt would arrange to take detailed notes and photographs to document the construction work just in case DWQ representatives could not be onsite when the construction work begins next week. Bob agreed to update us by Thursday on the schedule for next week's construction. Bob sent an email on April 19th informing us that the anticipated date to begin construction will now be May 1st. An alternate and more experienced leach field contractor, Western Excavating, will now perform the work.
- Bob said he would have Walt take the required water sample while he was taking other required samples at the Mercur mine on Thursday this week. Walt agreed this shouldn't be a problem.
- Wayne asked if the diesel fuel tanks were gone yet. Gene said one would be taken today and the other one this weekend. They would need Riley's equipment to move them. Both are empty.
- Bob said they would confirm the content of the residue left in the caustic tank this week. They will
 take a sample from the tank and have it analyzed by Chem Tech labs. They hope to resolubalize
 the residue if it is caustic soda, pump it out and deliver it to Kennecott. Walt estimates there may
 be up to five 55 gallon barrels of the residue left in the tank.

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- Walt discussed the water status in the ponds next. All evaporation is being conducted in the preg pond now. At the present, it is running 24 hours a day but will change to daytime pumping only soon. They need to leave some water in the overflow pond for now (so liner doesn't lift in wind).
- They will have the flow reports to us by the end of the week. Bob asked about the timing for spraying spotted knapweed and whitetop. We agreed to chat with our staff and get back to them on same.
- We discussed conducting a joint onsite visit to the mine on May 24th. This would principally involve personnel from DOGM and DWQ.
- Wayne confirmed the next scheduled conference call for May 1st, at 9:30 a.m. The AT&T conference call dial in #: (888) 232-0370; Participant Code #: 414075

jb

Attachment: revised reclamation task schedule

Steve Flechner, NLMC Bob Bayer, JBR

Dennis Frederick, DWQ

Larry Mize, DWQ

Mary Ann Wright, DOGM

Walt Shubert

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